

VZCZCXRO7138  
RR RUEHDE RUEHDH RUEHDIR  
DE RUEHRH #1461 3071136  
ZNY CCCCC ZZH  
R 031136Z NOV 09  
FM AMEMBASSY RIYADH  
TO RUEHC/SECSTATE WASHDC 1833  
INFO RUEHZM/GULF COOPERATION COUNCIL COLLECTIVE  
RUEHBS/AMEMBASSY BRUSSELS 0966  
RUEHLO/AMEMBASSY LONDON 2948  
RUEHNY/AMEMBASSY OSLO 0126  
RUEHOT/AMEMBASSY OTTAWA 0001  
RHEBAAA/DEPT OF ENERGY WASHINGTON DC  
RUCPDO/DEPT OF COMMERCE WASHDC

C O N F I D E N T I A L RIYADH 001461

SIPDIS

STATE FOR NEA/ARP, S/CIEA  
DOE FOR AL HEGBURG

E.O. 12958: DECL: 11/15/2019  
TAGS: [SENV](#) [ENRG](#) [EPET](#) [PREL](#) [SA](#)  
SUBJECT: SAUDI ARABIA ANNOUNCES CARBON CAPTURE  
SEQUESTRATION OIL FIELD PROJECT

REF: A. RIYADH 1302  
[1](#)B. RIYADH 1397

Classified By: DCM Susan L. Ziadeh, reasons 1.4 (b and d).

[1](#)1. (U) On October 14, Assistant Minister for Petroleum Prince Abdulaziz bin Salman announced in London that Aramco and the Ministry of Petroleum were working on a demonstration project to inject carbon dioxide into the Ghawar oil field by 2013 to increase oil production. This project is intended to demonstrate the potential to use CO2 to enhance oil recovery.

It would also demonstrate the potential to reduce carbon emissions in the atmosphere as a method of mitigating the effects of climate change. This project would inject 40 million standard cubic feet a day of CO2 into an area already flooded by water as part of enhanced recovery techniques in the world's largest oil field.

[1](#)2. (C) Prince Abdulaziz subsequently told EconCouns that Aramco would evaluate this test case carefully, along with cooperative research it is conducting with Canada. If it pays out, Saudi Arabia would be willing to do more such projects. He noted that this is part of the "Four Kingdoms" Carbon Capture and Sequestration (CCS) project, on which it is cooperating with the UK, the Netherlands, and Norway. Saudi Arabia would be willing, he said, to include other countries, including the United States, in similar projects. UK Embassy officials told EconCouns that Prince Abdulaziz was keen to announce this project publicly on the margins of UK-Saudi energy bilaterals in London, although there was very little discussion of this project during the meetings.

[1](#)3. (C) Ministry of Petroleum Senior Advisor Prince Faisal bin Turki expressed significant reservations to EconCouns about using CCS to enhance oil recovery in Saudi Arabia, noting the "huge" costs of proposed projects. He also noted that the high costs had prompted large oil companies to pull out of demonstration projects. Prince Faisal underscored the importance to the Ministry of making sure that oil development projects, including CCS, are commercially viable. He also expressed concern that CCS projects ultimately release a lot of the CO2 initially sequestered, as nearby oil is produced.

[1](#)4. (C) Comment: While Prince Abdulaziz's announcement is a welcome reaffirmation of Saudi Arabia's expressed interest in pursuing projects to address climate change, we take seriously the point about the Ministry of Petroleum wanting to make sure the project is commercially feasible. Time will tell how fast and to what degree Saudi Arabia implements this project.

SMITH